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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	)	Case No. 12-12020 (MG)
	)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,	)	Chapter 11
	)	
Debtors.	)	Jointly Administered
_____	)	

**NOTICE TO HOLDERS OF  
BORROWER CLAIMS REGARDING REQUESTS FOR  
DISTRIBUTIONS ON ACCOUNT OF BORROWER CLAIMS**

**PLEASE TAKE NOTICE** that on December 11, 2013, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) entered an *Order Confirming Second Amended Joint Chapter 11 Plan Proposed by Residential Capital, LLC et al. and the Official Committee of Unsecured Creditors* (the “Confirmation Order”) approving the terms of the Chapter 11 plan, as amended (the “Plan”), filed in the above-captioned Chapter 11 cases (the “Chapter 11 Cases”) [Docket No. 6065]. On December 17, 2013, the Plan went effective (the “Plan Effective Date”).

**PLEASE TAKE FURTHER NOTICE** that the ResCap Borrower Claims Trust (the “Borrower Trust”) established pursuant to the terms of the Plan, as successor in interest to the

above-captioned debtors (collectively, the “Debtors”) with respect to claims filed by Borrowers<sup>1</sup> (as such term is defined in the Plan), by and through its undersigned counsel, hereby files this notice (the “Notice”) with respect to any pending or future Borrower request for distributions submitted on account of their claims asserted against the Debtors.

**PLEASE TAKE FURTHER NOTICE** that on the Plan Effective Date, among other things, the Borrower Trust was established [Docket No. 6137]. The Borrower Trust was formed for the benefit of Borrowers who filed claims against the Debtors to the extent such claims are ultimately allowed either through settlement by the Trustee for the Borrower Trust or pursuant to an Order of the Bankruptcy Court. The Borrower Trust is charged with, among other things, reconciling proofs of claim asserted by Borrowers and is authorized to file and prosecute objections to proofs of claim asserted by Borrowers. See Plan, Art. IV.F and Borrower Claims Trust Agreement, dated Dec. 17, 2013, Plan Supplement at Exhibit 4 [Docket No. 6136].

**PLEASE TAKE FURTHER NOTICE** that the Plan provides a timeframe by which the Borrower Trust shall determine whether it will object to any proof of claim asserted by a Borrower filed in the Chapter 11 Cases. Specifically, the Plan provides that the “Claims Objection Deadline” is either “(i) two hundred seventy (270) days following the Effective Date or (ii) such other later date the Bankruptcy Court may establish upon a motion by the Liquidating Trust, which motion may be approved without a hearing and without notice to any party.” See Plan, Art. I.A.54. Accordingly, the Borrower Trust has **until at least Monday, September 15,**

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<sup>1</sup> As defined in the Plan, the term “Borrower” means “an individual whose current or former mortgage loan was originated, serviced, sold, consolidated, or owned by any of the Debtors.” See Plan, Art. I.A.38.

**2014<sup>2</sup>** by which to file an objection to any given Borrower proof of claim. **THEREFORE, ALL UNRESOLVED BORROWER PROOFS OF CLAIM ARE STILL SUBJECT TO THE CLAIMS RECONCILIATION AND OBJECTION PROCESS AND MAY BECOME THE SUBJECT OF AN OBJECTION BY THE BORROWER TRUST.**

**PLEASE TAKE FURTHER NOTICE** that the Bankruptcy Court has previously denied motions filed by Borrowers requesting payment on account of their filed claims on the basis that such claims are not yet deemed “Allowed Claims” because the Borrower Trust retains the right to object to such claims under the Plan. See, e.g., Order Denying Motion of Francine Silver for Payment of Claim No. 61, *In re Residential Capital, LLC*, et al., No. 12-12020 [Docket No. 6706] (Bankr. S.D.N.Y. Mar. 26, 2014); Order Sustaining Objection to Motions of Karen Michele Rozier for Payment on Claims, *In re Residential Capital, LLC*, et al., No. 12-12020 [Docket No. 6519] (Bankr. S.D.N.Y. Feb. 26, 2014).

**PLEASE TAKE FURTHER NOTICE THAT BORROWERS ARE ONLY ENTITLED TO RECEIVE PAYMENT ON THEIR CLAIMS IN THE EVENT THAT SUCH CLAIM IS ULTIMATELY ALLOWED. BECAUSE BORROWER CLAIMS ARE STILL SUBJECT TO OBJECTION WHERE SUCH CLAIMS HAVE NOT BEEN ALLOWED BY BANKRUPTCY COURT ORDER, IN WHOLE OR IN PART, OR THROUGH A SETTLEMENT WITH THE BORROWER TRUST, SUCH CLAIMS HAVE NOT BEEN DEEMED ALLOWED AND HOLDERS OF SUCH CLAIMS ARE NOT PRESENTLY ENTITLED TO ANY DISTRIBUTION.**

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<sup>2</sup> Pursuant to Article I, Section C. of the Plan, this date accounts for the application of Bankruptcy Rule 9006(a) to compute any period of time prescribed or allowed in the Plan. Since 270 days following the Effective Date falls on Saturday, September 13, 2014, the Claims Objection Period continues to run until the next day that is not a weekend day or holiday, *i.e.*, Monday, September 15, 2014.

**PLEASE TAKE FURTHER NOTICE** that copies of the Plan, Plan Supplement, and Confirmation Order can be viewed and obtained for a fee via PACER at [www.pacer.gov](http://www.pacer.gov) or (without charge) on the Debtors' restructuring website at [www.kccllc.net/rescap](http://www.kccllc.net/rescap).

Dated: May 2, 2014

Respectfully submitted,

/s/ Norman S. Rosenbaum

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